

SPENCER J. COX Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

May 13, 2014

CERTIFIED RETURN RECEIPT 7011 2970 0001 8828 9791

Darin Christensen Christensen Ready Mix P. O. Box 296 Mt. Pleasant, Utah 84647

Subject: Notice of Cancellation/Termination of Reclamation Surety, Bond Number

Christensen Ready Mix, Fox Mine, S/039/0034, San Pete County, Utah

Dear Mr. Christensen:

The Division of Oil, Gas and Mining (Division) was notified that the surety bond for the Fox mine (S/039/0034) will be cancelled effective August 7, 2014. The terms of the surety state that the bond may be cancelled by the Surety ninety (90) days following receipt by the Division and Principal of such cancellation.

Paragraph 5 of the Reclamation Contract, states the operator shall provide a replacement surety within sixty (60) days following the Division's receipt of the cancellation/termination notice. If you fail to provide a replacement surety by July 8, 2014, the Division will be forced to do any/some of the following:

- Carry out the terms of surety bond number
- Submit a request to the Board of Oil, Gas and Mining to withdraw the permit
- Order the cessation of mining operations
- Order immediate reclamation of all lands affected

If you have questions or require assistance regarding the surety, please contact Penny Berry (801) 538-5291 or by email at pennyberry@utah.gov. Thank you in advance for your prompt attention to this important permitting requirement.

Sincerely

Paul Baker

Minerals Program Manager

Great American Insurance Company

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